

Proceedings
at the
Annual Meeting
of Shareholders
Thursday,
April 29, 1976

**Canadian
Pacific
Investments
Limited**

Le Château Champlain
Place du Canada
Montreal, Canada

MAY 21 1976

Canadian Pacific Investments Limited
Montreal, Canada

The following is a summary of the business transacted at the Annual Meeting of Shareholders held at Montreal, Canada, on April 29, 1976.

In the absence of the Chairman of the Company, and in accordance with the by-laws of the Company, Mr. William Moodie, President, presided at the meeting. Mr. G. S. MacLean, Secretary of the Company, acted as secretary.

After notice of the meeting had been read and the Report of the Scrutineers as to a quorum had been received, the chairman declared the meeting to be regularly called and properly constituted for the transaction of business.

Minutes of the last Annual and Special General Meeting of Shareholders held May 2, 1975 were confirmed.

The Auditors' Report to the Shareholders, having been read, the chairman, on behalf of the directors, placed before the meeting the Report of Directors, accompanying Consolidated Financial Statements and Report of the Auditors thereon for the year ended December 31, 1975.

Mr. W. Moodie then addressed the meeting as set out in this booklet, beginning at page 3.

The following were duly elected as Directors of the Company to hold office until the next Annual Meeting of Shareholders:

Mr. W. A. Arbuckle
Mr. F. S. Burbidge
Mr. F. E. Burnet
Mr. A. M. Campbell
Mr. Robert W. Campbell
Dr. John Macnamara
Mr. Angus A. MacNaughton
Mr. W. Moodie
Mr. S. E. Nixon
Mr. Paul L. Paré
Mr. H. M. Pickard
Mr. Ian D. Sinclair
Mr. R. D. Southern
Mr. W. J. Stenason

Price Waterhouse & Co. were appointed Auditors of the Company for the ensuing year and the Board of Directors was authorized to fix the remuneration to be paid to the Auditors.

The meeting then terminated.

After the shareholders' meeting, the Directors met and elected Officers of the Company and the Executive Committee as follows:

Officers of the Company

Mr. Ian D. Sinclair, Chairman of the Company and Chief Executive Officer

Mr. W. Moodie, President

Mr. W. J. Stenason, Executive Vice-President

Mr. P. A. Nepveu, Vice-President Finance and Accounting

The Executive Committee

Mr. W. A. Arbuckle

Mr. F. S. Burbidge

Mr. A. M. Campbell

Mr. W. Moodie

Mr. Paul L. Paré

Mr. Ian D. Sinclair

Text of address by the President, Mr. W. Moodie, to the Annual Meeting of Shareholders at Montreal, Canada, April 29, 1976.

The annual report of the directors for 1975 was sent to all shareholders a little over a month ago. 1975 was a successful year for Canadian Pacific Investments, with earnings of \$142 million, or \$2.41 per common share — a new record.

It is important to view 1975 in the longer term context. Earnings increased fourfold from 1971 to 1975. Every operating sector of Canadian Pacific Investments made a major earnings gain throughout this period, except for forest products which suffered from strikes in 1975. The largest increases came from oil and gas, mines and minerals, and iron and steel, the latter as a result of an acquisition.

Its broad range of earnings sources continues to be a key factor in determining the progress of Canadian Pacific Investments. At last year's meeting, our approach for achieving orderly growth through integration and diversification was outlined.

In line with this, the company early in 1976 acquired just over two-thirds interest in Steep Rock Iron Mines Limited. Steep Rock fits with the iron and steel nucleus represented by Algoma Steel, which is a major customer for Steep Rock's iron pellet production. Studies are currently underway which will determine the best development pattern for Steep Rock to take in future years.

Also in recent months, Canadian Pacific Investments acquired a 2.36 per cent interest in Dominion Bridge Company, Limited, which is an addition to the 43 per cent interest held by Algoma Steel. Dominion Bridge has become an important Canadian-based international conglomerate, with extensive manufacturing operations in the United States. Again, it fits in the iron and steel sector established by Canadian Pacific Investments in the past two years.

Some changes have been made in the less significant holdings of the investment portfolio and 86 per cent of it with a book value of some \$188 million now represents our participation in the equity of four major companies — MacMillan Bloedel, TransCanada PipeLines, Rio Algom and Union Carbide.

I do not intend to repeat here what was said in the 1975 annual report about the year's results. However, it is of interest to note that the earnings level of Canadian Pacific Investments was influenced by a number

of adverse factors that affected particularly the latter part of the year. Cominco's earnings, for example, were depressed by high inventory levels and sluggish demand for lead and zinc associated with the international economic recession.

Demand for many of the iron and steel products manufactured by Algoma Steel became soft towards the end of the year, at a time when Algoma had greatly increased its manufacturing capacity. Earnings of Great Lakes Paper were sharply reduced by the strike of pulp and paper employees that began in September. The effects of these developments on the fourth quarter were partially offset by an improvement in earnings of PanCanadian Petroleum and Fording Coal due to higher prices for gas, oil and export coal.

These same factors continued into the first quarter of 1976.

Cominco's earnings were adversely influenced by lead and zinc price reductions early in the year and by continuing levels of weak demand for those products. Cominco's fertilizer sales were adversely influenced by a late spring on the Prairies. Demand for certain iron and steel products, particularly construction-type products, weakened further in the first quarter, and this, combined with some remaining problems in achieving full operations of the new plants of Algoma Steel, gave rise to earnings impairment. The strike at Great Lakes Paper continued until February 23, and resumption of full production was delayed until mid-March as a result of some start-up problems following the long strike.

These factors, as well as increased competition in certain hotel markets in Canada, had a major negative impact on Canadian Pacific Investments' earnings in the first quarter. Positive factors were the excellent performance by PanCanadian Petroleum and Fording Coal, as a result of higher oil and gas and coal prices, better earnings from Pacific Logging, and improved investment income.

As a result, earnings of Canadian Pacific Investments were \$26.7 million in the first quarter of 1976, as compared with \$36.3 million in the same period of 1975, a reduction of \$9.6 million.

At present, the prospects for the different operations for the balance of 1976 are as follows:

Great Lakes Paper is operating at full capacity, and expects to maintain that position for the rest of the year.

Lead and zinc prices improved in April and the market outlook is more encouraging. Fertilizer sales, with the exception of potash, are also improving.

Operations of the U.S. steel industry are showing continuing improvement in relation to rated capacity, and we remain optimistic that Algoma's second half will show significant improvement in relation to the first half.

U.S. housing starts continue to advance, and this should make for good markets for the building products produced by both Pacific Logging and Great Lakes Paper in the remaining months of the year.

Higher oil and gas prices are expected to continue to benefit PanCanadian Petroleum, although continued weakness in sales of heavy crude is a restraining factor.

The outlook for Fording Coal is somewhat less favorable, as a result of continuation of 1975 prices into the new coal year that began April 1.

Of the greatest importance in the outlook for Canadian Pacific Investments is the fact that we do not have any major subsidiaries in the open period of their labor agreements for the remainder of the year, with the exception of Fording Coal and Great Lakes Paper with respect to woods employees.

It is difficult to predict the earnings of Canadian Pacific Investments with a high degree of accuracy because of the many influences acting on earnings of each of the subsidiaries. Cautious optimism is perhaps the best description of the outlook for the remainder of the year.

Now, for a few moments, I would like to turn to consideration of a problem that I believe poses a serious threat to economic and social progress in Canada. I refer to the growing tendency to adopt confrontation as the preferred method of dealing with the differing interests of various groups in our society. This preference is rapidly narrowing down relationships between management and labor, labor and government, government and business, business and consumers to the single basis of an adversary relationship. Trust and mutual respect, which are essential for consultation and negotiation, are giving way to distrust and suspicion. Confidence and good faith are being replaced by tension and hostility. Co-operation is supplanted by combat.

You have only to note the adoption of the language of all-out war to appreciate how far the process has gone. One reads almost daily of "legal and verbal

shots fired", of "taxation bombshells", of "unions girding for battle", of "guerilla tactics threatened", and that a "fight for control looms". Perhaps we should take what comfort we can from the fact that the metaphors being used are still from conventional warfare and have not yet drawn on the terrifying terminology of the "ultimate" weapon.

What are the factors which have contributed to this escalation of confrontation that we are witnessing? It seems clear that inflation is one. Our exposure to inflation in Canada has been relatively mild compared with that in some countries. Yet even our degree of inflation has inflicted serious damage. It has upset and disturbed many kinds of economic relationships. It has created distortions and generated uncertainties and fears about the future. It has sown seeds of disillusionment with, and distrust of, our economic and political institutions. Because unchecked inflation has the potential to destroy the basic social fabric, we must not relax our determination and our efforts to ensure that it is halted and eventually eliminated.

There are other features of modern society that operate to heighten rather than diminish conflict situations.

One of these is the news media, and particularly television. Lest you think I am about to indulge in the popular pastime of blaming the media for all our ills, I hasten to assure that I am not. Far from it. I think that on the whole we are well served in Canada by an able, intelligent and responsible corps of journalists. But the advent of television has given a new dimension to the influence and impact of the reporter.

Now there is unprecedented power to dramatize events and to give instant national exposure — and significance — to occurrences that in an earlier day would have had only local impact. As Marshall McLuhan had told us it would, TV has indeed changed our perceptions of our world. This is a fact of today's life and, unlike inflation, we must learn to live with it.

Because "news" is the exceptional, the disastrous, the dramatic, it may be unrealistic to expect newsmen and women to report the absence of discord and the peaceful resolution of differences. Happenings such as these are of great significance to the well-being of the community, but they are not the stuff of which "news" is made. It ought to be realistic, however, to expect that news coverage should be not only both fair and accu-

rate as a matter of course, but in addition that it should also reflect breadth of background knowledge and genuine understanding of the issues being reported.

This is particularly crucial with respect to economic matters for two reasons. The first is that such matters are not simple, and it is no service to the public to pretend that they are. They are complex, and do not readily lend themselves to sketchy and superficial treatment.

The second reason is that they concern bread-and-butter issues that affect people's basic economic interests. They are thus matters on which feelings can run so high that judgment can become clouded when it comes to making decisions and taking action. The quality of the information people are given can have a vitally important influence on the soundness of their decisions and the appropriateness of their actions.

I know that most reporters, columnists and editors are aware of their responsibility to give adequate, in-depth coverage in the difficult field of reporting on differences of economic interests and opinions. I stress to you today, however, that all in the news media should recognize and take advantage of the opportunity they have to make a constructive contribution to full understanding in this area by a broad cross section of the public.

Another aspect of modern life that makes us confrontation-prone is the extent and the pace of change in beliefs, habits, values. This phenomenon is closely linked with the communications explosion which is but one of the many great advances in science and technology that are continually reshaping the world.

While most of us recognize at least the inevitability, if not always the desirability, of change, few of us welcome the disruptive effects it brings in its train. Unfortunately, we have been slow to develop mechanisms other than conflict for dealing with the impact of change on individual and group interests.

One example of an area in which substantial and rapid change has come about and is giving rise to new problems is in public attitudes towards pollution, ecological concerns and protection of the natural environment. These are relatively new considerations for an industrial society. Up until fairly recent years the trade-off between production and disturbance of the environment was not just acceptable, it was thought to be a very good deal. Now the emphasis has shifted, the scale of values is different. It is fruitless at this point to apply the new standards retroactively, to say that

we ought to have been concerned about such matters earlier, and that if we had been the problems would not now be so great. This kind of hindsight can, and does, fuel a sense of outrage in some people, but it does not show us the way out of our dilemma.

The hard fact is that accommodating the new concern for the environment entails costly changes in processes, plants and equipment. Moreover, in some cases it will require breakthroughs in technology and a considerably greater input of skill and ingenuity than is generally appreciated. Demonstration, harassment, boycott and other confrontation tactics are far removed from the real task of finding the knowledge and the resources to give us the cleaner water and purer air that we all would like to have. However responsive business may be to the new priorities, it has to tailor its goals and its timetables to the means at its disposal. Realism and a sense of balance in the demands made on industry can smooth the path towards a better quality of life. All that impatience and hostility can do is litter that path with more stumbling blocks.

In the field of labor-management relations one does not have to seek very far to find evidence of an alarming increase in the incidence of confrontation. Last year in Canada nearly 12 million man days were lost through strikes — a new, and unenviable, record. Moreover, many of last year's strikes dragged out for months, not just weeks. Some of them stretched over five and six months, indicating a degree of hardness of positions from which bitterness could develop that might envenom relationships for many years to come.

There is a variety of reasons for the increase in strikes, including those of a general nature to which I have already made some reference. Then there are such specific developments as the emergence of unions among public servants and the extensive trying out by this group of their new right to strike. There is likewise a variety of reasons why settlements of strikes can be so long delayed. These range all the way from truculent managements who are out to teach the unions a lesson, to ambitious radicals in the labor movement who are no less determined to teach the company a lesson. In some situations it may be inter-union rivalries that prolong the agony of a strike; in other situations it could be sheer incompetence in negotiating skills. Whatever the reasons, the results are the same — strikers suffer, companies bleed, society loses production and communities are disrupted.

The complexity of labor-management disputes makes it unlikely that we are ever going to find a single, simple solution for resolving them. Indeed, we must resist the temptation to believe that there is some panacea that will ensure industrial peace. Equally, though, we need to face the fact — labor and management alike — that if we do nothing to counter the trend to more strikes and more strife, if we cannot find the ways to make the free collective bargaining process work more effectively, we risk having it replaced by some form of imposed settlement, by controls which neither side is going to like.

While government and business relations have not reached the same low ebb as relations between labor and management, they too are suffering from the growing tendency to threaten and shout rather than to respect and to discuss. The issues at stake here are large and important ones, affecting not only the present but the future as well. With so much involved, it is not easy to keep voices on both sides from becoming strident and harsh.

For its part, business must never forget that the problems of government in a pluralistic society are particularly nettlesome. It needs always to keep in mind that in Canada we have the additional complications of language and cultural differences and wide regional disparities. In its turn, government ought constantly to be mindful that running a business is not necessarily the easiest way to make a living. Business men have been known on occasion to envy the politicians, who have staked out for themselves the practice of the art of the possible while so frequently leaving to business the job of doing the impossible.

All that I have been saying leads me inevitably to the conclusion that it is time for domestic disarmament; that we ought to scale down inter-group warfare and begin to talk to each other, not at each other. I do not reach this conclusion because I am a recent convert to a cheap brand of sweetness and light. It is based on the soundest of grounds — self-interest but enlightened self-interest. It would be either naive or nonsense to say that the interests of business, labor, government and consumers are identical. Of course they are not. Most of the great advances that we have made in political and economic matters have their roots in the competition among various groups, each pursuing its own interests and promoting its own ideas. Freedom to do this has brought immense benefits to society.

The success of the system depends, however, on rational and realistic perception of self-interest. It is a highly civilized system and now requires more thoughtful, rather than more visceral, reactions to situations. We have now reached a point where we must take a fresh look at how wide an area our mutual interest really is. We cannot afford to go on assuming that economic activity is some zero-sum game, where the total result of the game can be to make some of us richer while making others poorer. Both the promise and the performance of our present economic system have been, and will continue to be, to make all of us better off.

The objective of political activity is to establish a social order in which we can enjoy the fruits of our labor. If we get this proper perspective of our joint activities it should help us to avoid those excesses of confrontation that divert and squander our energies. The goal we should be working towards is not a utopia where there is no conflict, but the more modest and realizable one of a nation where conflicts of interest are more often resolved by consultation and negotiation than by threats or use of brute strength, where differences are more often resolved by starting with and building on the community of interest. The Canadian tradition of compromise has frequently been a favorite target for satire, but this national characteristic has seen us through some difficult times. It may not make for heroic high policy, but it has its uses, and I can think of no better time than the present to give it full play.

And finally I conclude my remarks with a tribute to the men and women of our subsidiary operating companies on whose efforts we depend so heavily. Last year I had only brief experience with their skills but I reported that I was most favorably impressed. During 1975 everything I saw confirmed their abilities and their contribution and on behalf of the directors and, I am sure, all the shareholders of CP Investments, I thank them all most sincerely.

Canadian Pacific Investments Limited

Canadian Pacific Investments Limited

To the Shareholders:

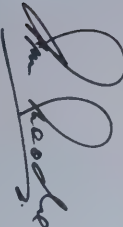
JUNE 16 1976


While consolidated net income for the first half of 1976 decreased \$5.3 million, or 10¢ per common share, earnings in the second quarter set a record and were up \$4.2 million, or 7¢ per common share, over the same quarter of 1975.

The improvement in second quarter earnings was mainly due to the higher prices received by PanCanadian for its oil and gas production and to increased real estate income which reflected both expansion of Marathon's operations and improved profits on land sales. Although earnings of \$9.6 million from Cominco and \$1.4 million from Great Lakes Paper were below 1975 second quarter levels, both companies performed markedly better than in the first quarter of 1976. Cominco benefited from improving metal markets and Great Lakes from uninterrupted production after mid-March, when start-up problems following settlement of the long strike had been resolved. Earnings of both the latter companies were adversely affected by the discount on the U.S. dollar. Income from Fording Coal in the second quarter, \$2.7 million compared with \$3.4 million a year earlier, was down because of the coal-miners' strike that began early in May but did not curtail sales until about a month later, when inventories were depleted.

As in the first quarter, Algoma's earnings continued to be depressed by weak demand for construction-type steel products and by unfavourable cost-price relationships. Despite a seasonal pick-up, hotel earnings were hurt by the airline strike in June as well as by the slow pace of Canadian economic recovery.

The outlook for the last half of the year is for continuation of the pattern of improvement over 1975 apparent in the second quarter. Income from oil and gas and real estate should continue to show increases. The signs for metals are encouraging: the price of lead in North America rose in July and a general strengthening of metal demand is evident. A degree of optimism about Algoma seems warranted in view of recent price increases for several types of steel products and the prospect of firm markets, but expectations for the forest products group have to be lowered because of some lag in prices and demand. Results of Fording Coal will reflect the strike at the mine.

President


Chairman and
Chief Executive Officer


Statement of Consolidated Income

	Quarter ended June 30	Six months ended June 30	Subject to audit (in thousands)
	1976	1975	1976
Oil and gas *	\$20,057	\$ 9,935	\$37,149
Mines and minerals *	12,358	15,697	19,509
Forest products *	1,311	2,106	(288)
Iron and steel *	3,869	7,175	6,525
Real estate *	3,883	2,586	5,677
Hotels and food services	180	1,070	(1,511)
Finance	430	348	816
Other operations	193	(48)	139
Investment income	122	(713)	1,123
Net income (after income taxes of \$27,065,000; 1975 — \$43,274,000; six months \$42,997,000; 1975 — \$79,381,000)	\$42,403	\$38,156	\$69,139
Earnings per common share	\$0.72	\$0.65	\$1.17
Fully diluted earnings per common share	0.70		1.14

* After interest of outside shareholders.

Statement of Changes in Consolidated Financial Position

Source of Funds

	1976	1975
Funds from operations *	\$175,846	\$201,915
Sale of investments	1,141	6,238
Issuance of long term debt	200,044	306,857
Proceeds from disposal of properties	6,381	3,765
Issuance of preferred shares by subsidiaries	110,000	—
Working capital of subsidiary acquired and consolidated	8,701	—
	\$502,113	\$518,775

Application of Funds

	1976	1975
Additions to properties	\$277,692	\$204,413
Additions to investments	6,062	13,496
Additions to lease receivables (net)	4,658	7,051
Investment in subsidiary acquired and consolidated	16,922	—
Reduction in long term debt	81,985	84,825
Dividends declared	18,802	18,736
Dividends paid outside shareholders of subsidiaries	15,720	20,860
Sundries (net)	14,179	7,926
Increase in working capital	66,093	161,468
	\$502,113	\$518,775

* Net income before the following: depreciation, depletion, amortization, deferred income taxes, equity in income retained by associated company and outside shareholders' interest in income of subsidiaries.

Investissements Canadian Pacific
LimitéeInvestissements Canadian Pacific
Limitée

Rapport aux actionnaires

Bien que le revenu net consolidé pour le premier semestre de 1976 ait diminué de \$5.3 millions, soit 10¢ par action ordinaire, les bénéfices du deuxième trimestre ont atteint un niveau sans précédent, augmentant de \$4.2 millions, ou de 7¢ par action ordinaire comparativement au trimestre correspondant en 1975.

Cette augmentation des bénéfices est principalement attribuable à la hausse des prix du gaz et du pétrole produits par PanCanadian ainsi qu'à l'augmentation des revenus immobiliers qui reflète aussi bien une expansion des activités de Marathon qu'une hausse des profits sur la vente de terrains. Même si les bénéfices de Cominco et de Great Lakes Paper, respectivement de \$9.6 et de \$1.4 millions, ont été inférieurs à ceux du deuxième trimestre de 1975, le chiffre d'affaires des deux compagnies a connu une nette amélioration sur celui du premier trimestre de 1976. Cominco a profité d'un raffermissement des marchés du métal et Great Lakes, d'une production ininterrompue après la mi-mars, date à laquelle ont été résolus les problèmes de mise en train consécutifs au règlement de la longue grève. Cependant, les bénéfices de ces deux compagnies ont dû subir les contrechocs de la dévaluation du dollar américain.

Au cours du deuxième trimestre, Fording Coal a enregistré des revenus de \$2.7 millions, comparativement à \$3.4 millions il y a un an; cette baisse est attribuable à la grève des mineurs déclenchée au début de mai mais dont les effets sur les ventes n'ont commencé à se faire sentir qu'un mois plus tard environ, à l'épuisement des stocks.

Comme pour le premier trimestre, les bénéfices d'Algoma ont continué de fléchir par suite de la faible demande d'acier de construction et des rapports coûts-prix défavorables. En dépit d'une reprise saisonnière, les hôtels ont vu leurs bénéfices diminuer à cause de la grève dans les compagnies aériennes en juin, et du lent redressement de l'économie canadienne.

On s'attend que la relance amorcée au cours du deuxième trimestre se poursuivra au cours du second semestre. Les revenus du pétrole, du gaz naturel et de l'immobilier devraient continuer leur progression. Pour les métaux, les perspectives sont encourageantes: le prix du plomb en Amérique du Nord a grimpé au cours de juillet et l'on constate un renforcement général de la demande de métaux. En ce qui concerne Algoma, l'optimisme semble justifié, si l'on tient compte des récentes augmentations de prix de plusieurs types de métaux et d'une fermeté probable des marchés. Une

augmentation du revenu des investissements est également à prévoir. Par contre, les prévisions pour les produits forestiers doivent être plus modestes en raison d'un certain fléchissement des prix et de la demande. Quant aux résultats de Fording Coal, ils se ressentiront de la grève des mineurs.

Le président,



Montréal, le 5 août 1976

Le président du conseil et
chef de la direction,

Sous réserve
de vérification
(en milliers)

	trimestre terminé le 30 juin	1976	1975	semestre terminé le 30 juin	1976	1975	
Résultats consolidés							
Pétrole et gaz naturel *		\$20 057	\$ 9 935		\$37 149	\$24 440	
Produits miniers *		12 358	15 697		19 509	27 650	
Produits forestiers *		1 311	2 106		(288)	5 047	
Fer et acier *		3 869	7 175		6 525	13 073	
Immobilier *		3 883	2 586		5 677	4 019	
Hôtellerie et restauration		180	1 070		(1 511)	961	
Sociétés de financement		430	348		816	619	
Autres secteurs		193	(48)		139	(138)	
Investissements		122	(713)		1 123	(1 230)	
Bénéfices nets (après impôts de \$27 065 000; 1975 — \$43 274 000; six mois \$42 997 000; 1975 — \$79 381 000)					\$42 403	\$38 156	\$74 441
Bénéfices par action ordinaire		\$0.72	\$0.65		\$1.17	\$1.27	
Bénéfices entièrement dilués par action ordinaire		0.70			1.14		
*Après intérêt d'actionnaires étrangers au groupe.							

Évolution de la situation financière consolidée

	semestre terminé le 30 juin	1976	1975
Rentrées			
Produits de l'exploitation *		\$175 846	\$201 915
Ventes de placements		1 141	6 238
Dette à long terme		200 044	306 857
Produit de vente de biens immobiliers		6 381	3 765
Emission d'actions privilégiées par les filiales		110 000	—
Fonds de roulement de filiales acquises et incluses dans la consolidation		8 701	—
		\$502 113	\$518 775
Sorties			
Biens immobiliers		\$277 692	\$204 413
Portefeuille		6 062	13 496
Locations à percevoir (net)		4 658	7 051
Investissement dans les filiales acquises et incluses dans la consolidation		16 922	—
Réduction de la dette à long terme		81 985	84 825
Dividendes de l'exercice		18 802	18 736
Dividendes payés aux actionnaires étrangers des filiales		15 720	20 860
Divers (net)		14 179	7 926
Augmentation du fonds de roulement		66 093	161 468
		\$502 113	\$518 775

* Bénéfices nets avant les postes suivants: amortissement et épuisement, impôts reportés, quote-part des bénéfices d'une compagnie affiliée; et participation d'actionnaires étrangers aux bénéfices des filiales.

Reference: Robert Rice
Montreal
(514) 861-6811, Ext. 738

Release: Immediate, Aug. 5, 1976

CANADIAN PACIFIC INVESTMENTS

REPORTS SIX-MONTH EARNINGS

MONTREAL - Canadian Pacific Investments Limited today reported consolidated net income of \$69.1 million, or \$1.17 per common share, for the first six months of 1976. While this represented a decrease of \$5.3 million from the first half of 1975, earnings in the second quarter were a record \$42.4 million, an increase of \$4.2 million or seven cents per common share over the second quarter last year.

The improvement in second quarter earnings was due mainly to higher prices received by PanCanadian Petroleum Limited for its oil and gas production and to increased real estate income which reflected both expansion of Marathon Realty Company Limited's operations and improved profits on land sales.

MORE

Second quarter earnings of \$9.6 million from Cominco Ltd. and \$1.4 million from The Great Lakes Paper Company, Limited were below 1975 second quarter levels. However, both companies performed markedly better in the second quarter this year than in the first quarter.

Cominco benefited from improving metal markets and Great Lakes Paper from uninterrupted production after mid-March when start-up problems following settlement of a lengthy strike had been resolved. Earnings of both companies were adversely affected by the discount on the United States dollar.

Income from Fording Coal Limited in the second quarter, \$2.7 million compared with \$3.4 million in the second quarter of 1975, was down because of a coal miners' strike. The strike began early in May but did not curtail sales until about a month later when inventories were depleted.

As in the first quarter, earnings of The Algoma Steel Corporation, Limited were depressed by weak demand for construction-type steel products and by unfavorable cost-price relationships. Despite a seasonal pick-up, hotel earnings were hurt by the airline strike in June and by the slow pace of Canadian economic recovery.

MORE

CPI says the outlook for the last half of the year is for continuation of the pattern of improvement over 1975 apparent in the second quarter. Income from oil and gas and real estate should continue to increase. The signs for metals are encouraging. The price of lead in North America rose in July and a general strengthening of metal demand is evident.

The company says a degree of optimism about Algoma Steel seems warranted in view of recent price increases for several types of steel products and the prospect of firm markets.

Expectations for the forest products group have to be lowered because of some lag in prices and demand. Results of Fording Coal will reflect the effects of the strike at the mine.

CANADIAN PACIFIC INVESTMENTS LIMITED

STATEMENT OF CONSOLIDATED INCOME

		Subject to Audit			
		Quarter Ended		Six Months Ended	
		June 30		June 30	
		1976	1975	1976	1975
		(in thousands)			
Oil and gas	*	\$20,057	\$ 9,935	\$37,149	\$24,440
Mines and minerals	*	12,358	15,697	19,509	27,650
Forest products	*	1,311	2,106	(288)	5,047
Iron and steel	*	3,869	7,175	6,525	13,073
Real estate	*	3,883	2,586	5,677	4,019
Hotels and food services		180	1,070	(1,511)	961
Finance		430	348	816	619
Other operations		193	(48)	139	(138)
Investment income		<u>122</u>	<u>(713)</u>	<u>1,123</u>	<u>(1,230)</u>
Net income (after income taxes of \$27,065,000; 1975 - \$43,274,000; six months \$42,997,000; 1975 - \$79,381,000)		<u>\$42,403</u>	<u>\$38,156</u>	<u>\$69,139</u>	<u>\$74,441</u>
Earnings per common share		\$0.72	\$0.65	\$1.17	\$1.27
Fully diluted earnings per common share		0.70		1.14	

* After interest of outside shareholders.

CANADIAN PACIFIC INVESTMENTS LIMITED
STATEMENT OF CHANGES IN CONSOLIDATED FINANCIAL POSITION
FOR THE SIX MONTHS ENDED JUNE 30

	<u>Subject to audit</u> (in thousands)	
	<u>1976</u>	<u>1975</u>
Source of Funds		
Funds from operations *	\$175,846	\$201,915
Sale of investments	1,141	6,238
Issuance of long term debt	200,044	306,857
Proceeds from disposal of properties	6,381	3,765
Issuance of preferred shares by subsidiaries	110,000	-
Working capital of subsidiary acquired and consolidated	<u>8,701</u>	<u>-</u>
	<u>\$502,113</u>	<u>\$518,775</u>
Application of Funds		
Additions to properties	\$277,692	\$204,413
Additions to investments	6,062	13,496
Additions to lease receivables (net)	4,658	7,051
Investment in subsidiary acquired and consolidated	16,922	-
Reduction in long term debt	81,985	84,825
Dividends declared	18,802	18,736
Dividends paid outside shareholders of subsidiaries	15,720	20,860
Sundries (net)	14,179	7,926
Increase in working capital	<u>66,093</u>	<u>161,468</u>
	<u>\$502,113</u>	<u>\$518,775</u>

* Net income before the following: depreciation, depletion, amortization, deferred income taxes, equity in income retained by associated company and outside shareholders' interest in income of subsidiaries.

Reference: Robert Rice
Montreal
(514) 861-6811, Ext. 738

Release: Immediate, Feb. 6, 1976

CANADIAN PACIFIC INVESTMENTS LIMITED

REPORTS PRELIMINARY NET INCOME

MONTREAL - Canadian Pacific Investments Limited today reported preliminary net income for 1975 of \$141 million, compared with final income of \$130.6 million in 1974.

Net income per common share amounted to \$2.41, an increase of 12 cents per share over 1974.

Net income for the fourth quarter of 1975 was \$35 million, compared with \$31.6 million in the same period of 1974.

The company's annual report is to be issued in late March.

The major sources of earnings growth were oil and gas, coal mining, and real estate activities, and the consolidation for a full year of results of The Algoma Steel Corporation, Limited.

MORE

Lower income from pulp and paper reflected the lengthy strike in that industry and decreased earnings from metal mining and logging were due mainly to weakened markets. Hotel operations suffered from the generally slower pace of business during the year. A decline in investment income resulted partly from a write-off of costs of CPI's participation in groups planning Arctic gas pipelines.

Notice of Annual Meeting of Shareholders

The Annual Meeting of the Shareholders of Canadian Pacific Investments Limited will be held on Thursday, April 29th, 1976, at Le Château Champlain, Place du Canada, Montreal, Quebec at 11:00 A.M. (daylight saving time, if operative), for the following purposes:

- to receive the Report of the Directors, accompanying Consolidated Financial Statements and Report of the Auditors thereon, for the year ended December 31st, 1975;
- to elect directors;
- to appoint the auditors and to authorize the Board of Directors to fix their remuneration; and
- to transact such other business as may properly come before the meeting.

The Board of Directors has by resolution fixed the time, before which proxies to be used at the annual meeting or any adjournments thereof must be deposited at Montreal, Quebec, with the Company or the Montreal Trust Company as Agent for the Company, at twenty-four hours, excluding Saturdays and holidays, preceding the annual meeting or any adjournments thereof.

By order of the Board,
G. S. MacLean, Secretary.
Montreal, March 4th, 1976.

APR 6 1976

Note: If you are unable to attend the meeting in person please complete and return the enclosed form of proxy.

Information Circular

(Dated as of February 29th, 1976)

Solicitation of Proxies

This information circular is furnished in connection with the solicitation by the management of Canadian Pacific Investments Limited of proxies for use at the annual meeting of shareholders of the Company to be held on Thursday, April 29th, 1976, at Le Château Champlain, Montreal, Quebec, and at any adjournments thereof. The total cost of solicitation will be borne by the Company.

Appointment of Nominees and Revocation of Proxies

At all meetings of shareholders of the Company every shareholder is entitled to give one vote for each share then held by him and such vote may be given in person or by proxy whether or not the nominee appointed by such proxy is himself a shareholder.

A shareholder giving a proxy has the right under subsection 108.2(5) of the *Canada Corporations Act* to revoke the proxy by instrument in writing executed by the shareholder or by his attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and deposited either at the head office of the Company at any time up to and including the last business day preceding the day of the meeting, or any adjournment thereof, at which the proxy is to be used or with the chairman of such meeting on the day of the meeting, or adjournment thereof.

Voting Shares as Specified

Shares represented by properly executed proxies in favour of the persons designated in the printed portion of the enclosed form of proxy will be voted or withheld from voting, as specified therein, on any ballot that may be called for and, where the shareholder specifies a choice with respect to any matter to be acted upon, such shares will be voted in accordance with any specification so made. **IN THE ABSENCE OF SUCH SPECIFICATION SUCH SHARES WILL BE VOTED FOR THE ELECTION OF DIRECTORS AND THE APPOINTMENT OF AUDITORS AND THE GRANTING OF AUTHORITY TO THE BOARD OF DIRECTORS TO FIX THE AUDITORS' REMUNERATION AS STATED UNDER THE HEADINGS "ELECTION OF DIRECTORS" AND "APPOINTMENT OF AUDITORS" IN THIS CIRCULAR.**

Exercise of Discretion by Nominees

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the notice of meeting, and with respect to other matters which may properly come before the meeting. At the date of this information circular, the management of the Company knows of no such amendments, variations or other matters to come before the meeting other than the matters referred to in the notice of meeting.

Voting Shares

On February 29th, 1976, there were entitled to be voted at the meeting 58,834,220 Common Shares without nominal or par value, each carrying one vote, and 981,628 4¾% Cumulative Redeemable Convertible Voting Preferred Shares, Series A, each carrying one vote. The Company has not fixed a record date and, in accordance with the *Canada Corporations Act*, subsection 105(5), the failure of any shareholder of the Company to receive a notice of the time and place for holding a meeting of shareholders of the Company does not deprive the shareholder of a vote at the meeting if the shareholder is registered on the books of the Company at least forty-eight hours, excluding Saturdays and holidays, before the time set for the meeting. As of February 29th, 1976, Canadian Pacific Limited owned 50,000,000 Common Shares representing 83.58% of the voting shares of the Company.

Election of Directors

The by-laws of the Company provide that the Board of Directors shall consist of fourteen directors. Each director elected will hold office until the next annual meeting of shareholders and until his successor is duly elected. The persons listed on the following page will retire as directors at the forthcoming annual meeting on April 29th, 1976, and they are eligible and will be nominated for re-election. The management does not contemplate that any of the nominees will be unable to serve as a director but, if that should occur for any reason prior to the meeting, the persons named in the enclosed form of proxy reserve the right to vote for another nominee in their discretion. Information as of February 29th, 1976, as to the fourteen nominees is as follows:

Names of nominees and offices held in Company	Date on which present term of office expires	Major offices held in significant affiliated companies	Principal occupation or employment	Director since	Number of shares of Company or Canadian Pacific Limited beneficially owned
*†W. A. Arbuckle	April 29, 1976	Director — Canadian Pacific Limited	Chairman of the Company, Celanese Canada Limited, Montreal, engaged in the business of manufacturing synthetic fibres, fabrics and carpets and chemical products.	1964	10,000 Common Shares of C.P. Investments Limited 5,500 C.P. Limited Ordinary Shares
* F. S. Burbidge	April 29, 1976	Director — Canadian Pacific (Bermuda) Limited, Canadian Pacific Limited, Canadian Pacific Steamships, Limited, Canadian Pacific Transport Company, Limited, Cominco Ltd., Marathon Realty Company Limited and Soo Line Railroad Company	President, Canadian Pacific Limited, Montreal.	1972	400 Common Shares of C.P. Investments Limited 5,200 C.P. Limited Ordinary Shares
F. E. Burnet	April 29, 1976	Chairman of the Board and Director — West Kootenay Power and Light Company, Limited; Director — Cominco Ltd. and Pine Point Mines Limited	Chairman and Chief Executive Officer, Cominco Ltd., Vancouver, engaged in the business of mining, metals, chemicals and fertilizers.	1973	400 Common Shares of C.P. Investments Limited
*†A. M. Campbell	April 29, 1976	Nil	Chairman, Sun Life Assurance Company of Canada, Montreal.	1962	7,700 Common Shares of C.P. Investments Limited 2,500 C.P. Limited Ordinary Shares
Robert W. Campbell	April 29, 1976	Director — CanPac Minerals Limited, Fording Coal Limited and PanCanadian Petroleum Limited	Chairman of the Board and Chief Executive Officer, PanCanadian Petroleum Limited, Calgary, engaged in exploration, production, transportation, processing and marketing of oil and gas.	1973	200 Common Shares of C.P. Investments Limited
Dr. John Macnamara	April 29, 1976	Director — The Algoma Steel Corporation, Limited	President and Chief Operating Officer, The Algoma Steel Corporation, Limited, Sault Ste. Marie, a fully integrated iron and steel production company.	1975	200 Common Shares of C.P. Investments Limited 250 C.P. Limited Ordinary Shares
Angus A. MacNaughton	April 29, 1976	Nil	President, Genstar Limited, Montreal, engaged in diversified industrial operations.	1975	500 Common Shares of C.P. Investments Limited
* W. Moodie, President	April 29, 1976	Vice-President and Director — Canadian Pacific Securities Limited; Director — Canadian Pacific Hotels Limited, Cominco Ltd., Marathon Realty Company Limited and PanCanadian Petroleum Limited	President, Canadian Pacific Investments Limited, Montreal.	1974	500 Common Shares of C.P. Investments Limited
†S. E. Nixon	April 29, 1976	Director — Canadian Pacific (Bermuda) Limited and Cominco Ltd.	Corporate Director and Financial Consultant, Montreal.	1962	2,000 Common Shares of C.P. Investments Limited
* Paul L. Paré	April 29, 1976	Director — Canadian Pacific Limited	President and Chief Executive Officer, Imasco Limited, Montreal, a parent operating company with tobacco, food and retail divisions.	1974	5,000 Common Shares of C.P. Investments Limited 5,000 C.P. Limited Ordinary Shares
†H. M. Pickard	April 29, 1976	Director—Cominco Ltd., Marathon Realty Company Limited and PanCanadian Petroleum Limited	Chairman and Chief Executive Officer, Marathon Realty Company Limited, Calgary, engaged in the business of a real estate investment and development company.	1970	4,000 Common Shares of C.P. Investments Limited
* Ian D. Sinclair, Chairman and Chief Executive Officer	April 29, 1976	Chairman and Director — Canadian Pacific Air Lines, Limited and Canadian Pacific Securities Limited; Vice-President and Director — Cominco Ltd. and PanCanadian Petroleum Limited; Director — Canadian Pacific (Bermuda) Limited, Canadian Pacific Limited, Canadian Pacific Steamships, Limited, Marathon Realty Company Limited, Pacific Logging Company Limited, Soo Line Railroad Company and The Great Lakes Paper Company, Limited	Chairman and Chief Executive Officer, Canadian Pacific Limited, Montreal.	1962	30,000 Common Shares of C.P. Investments Limited 7,625 C.P. Limited Ordinary Shares 1,000 C.P. Limited Pfd. Shares Series A
R. D. Southern	April 29, 1976	Nil	President and Chief Executive Officer, ATCO Industries Limited, Calgary, engaged in manufacturing.	1974	1,000 Common Shares of C.P. Investments Limited
W. J. Stenason, Executive Vice-President	April 29, 1976	Chairman and Director — CanPac Leasing Limited; President and Director — Commandant Properties, Limited; Vice-President and Director — Pacific Logging Company Limited and The Great Lakes Paper Company, Limited; Director—Canadian Pacific Hotels Limited, Canadian Pacific Securities Limited, CanPac AgriProducts Limited, Cominco Ltd., PanCanadian Petroleum Limited and The Algoma Steel Corporation, Limited	Executive Vice-President, Canadian Pacific Investments Limited, Montreal.	1974	200 Common Shares of C.P. Investments Limited 1,750 C.P. Limited Ordinary Shares

*Member of Executive Committee
†Member of Audit Committee

Remuneration of Management and Others

Statement

Directors' and Officers' Remuneration from the Company and its Affiliates
Sub paragraph 33(r) (v) of the Canada Corporations Act Regulations

Nature of Remuneration Earned

	Directors' fees	Salaries	Bonuses	Non- accountable expense all.	Others	Total
	\$	\$	\$	\$	\$	\$
Remuneration of Directors						
(A) Number of directors: Fourteen, three of whom are officers included below						
(B) Body Corporate incurring the expense						
Canadian Pacific (Bermuda) Limited	3,500.00					3,500.00
Canadian Pacific Investments Limited	53,924.40					53,924.40
Canadian Pacific Limited	13,350.00					13,350.00
Cominco Ltd.	26,300.00	165,000.00				191,300.00
Marathon Realty Company Limited		70,000.00				70,000.00
PanCanadian Petroleum Limited ..	5,500.00	99,000.00				104,500.00
Pine Point Mines Limited	2,500.00					2,500.00
Soo Line Railroad Company	2,250.00					2,250.00
The Algoma Steel Corporation, Limited	550.00	119,792.00			*11,900.00	132,242.00
West Kootenay Power and Light Company, Limited	500.00	7,500.00				8,000.00
Remuneration of Officers						
(A) Number of officers: Six, three of whom are also directors						
(B) Body Corporate incurring the expense						
Canadian Pacific Investments Limited		180,000.00				180,000.00
Canadian Pacific Limited		469,020.00				469,020.00
Cominco Ltd.	15,700.00	15,000.00				30,700.00
Midland Simcoe Elevator Company, Limited	450.00					450.00
PanCanadian Petroleum Limited ..	5,000.00	2,600.00				7,600.00
Soo Line Railroad Company	2,000.00					2,000.00
The Algoma Steel Corporation, Limited	15,700.00					15,700.00
The Great Lakes Paper Company, Limited	8,000.00	4,600.00				12,600.00
Totals	\$155,224.40	\$1,132,512.00	\$	\$	\$11,900.00	\$1,299,636.40

*In payment of dividend equivalents under the Extra Compensation plan of the corporation.

The estimated aggregate cost to the Company and its subsidiaries in 1975 of all benefits proposed to be paid under any pension or retirement plan upon retirement at normal retirement age to the persons mentioned in the foregoing table was \$43,655.

The Company has no stock option plan but one affiliate, Cominco Ltd., does grant options to certain full time employees to purchase its common shares. In 1975 Cominco made grants, dated May 1st, 1975, to expire on April 30th, 1980, covering 24,900 shares at a purchase price of \$27.45. Also in 1975 options were exercised on 11,100 shares at a price of \$25.42. The price range for Cominco common shares for each calendar quarter of 1975 was:

First quarter	— \$24.75 to \$29.25	Third quarter	— \$30.50 to \$35.25
Second quarter	— \$28.00 to \$32.25	Fourth quarter	— \$31.875 to \$35.875

Remuneration of Management and Others (Continued)

In April, 1975 an Executive Incentive Performance Plan was initiated by another affiliate, PanCanadian Petroleum Limited, and was approved by the Board of Directors of that company in August, 1975. Under the Plan certain senior officers and directors, who were then full time employees of Pan-Canadian Petroleum Limited, may be eligible for additional compensation in the event there is significant growth in the average earnings per share during the four fiscal years 1975 through 1978 and also if the market price of the common shares of PanCanadian Petroleum Limited at April 1st, 1979 is greater than the price thereof on April 1st, 1975. The Plan contemplates continuous employment with PanCanadian Petroleum Limited by the participants during the above period of time. Accordingly, whether or not any additional compensation will be payable under the Plan, and the amount thereof, will not be determinable until April, 1979.

Interest of Management and Others in Material Transactions during period January 1st, 1975 - February 29th, 1976

Mr. Ian D. Sinclair, a director and Chairman and Chief Executive Officer of the Company and Mr. W. Moodie, a director and President of the Company, are directors and officers of Canadian Pacific Securities Limited. Mr. W. J. Stenason, a director and Executive Vice-President of the Company, is a director and officer of CanPac Leasing Limited.

Canadian Pacific Investments Limited (CPI)

CPI has undertaken to guarantee the short and long term obligations of its wholly-owned subsidiary, Canadian Pacific Securities Limited, up to an amount fixed by the Board of Directors. At February 29th, 1976, the total amount guaranteed, including accrued interest, was approximately \$390,490,000.

During the period CPI issued \$3.9 million 7¼ % income debentures and \$2.8 million 6% income debentures to Canadian Pacific Limited.

Pursuant to an Offer mailed to the shareholders of Steep Rock Iron Mines Limited on January 19th, 1976, the Company acquired 5,454,275 common shares of Steep Rock Iron Mines Limited at a price of \$3.00 per share.

Canadian Pacific Securities Limited (CPSL)

During the period loans made by CPSL to CPI and its associated or affiliated companies, less loans repaid by the respective companies, were as follows:

CanPac Leasing Limited	\$20,789,000
Marathon Realty Company Limited	4,555,000
Pacific Logging Company Limited	8,033,000
Rothsay Concentrates Co. Limited	915,000
The Great Lakes Paper Company, Limited	14,019,000

CanPac Leasing Limited (CanPac Leasing)

CanPac Leasing entered into a lease with Canadian Pacific Limited, at market rates, under which the amount receivable, including unearned income, amounted to \$3,500,000 at February 29th, 1976.

Appointment of Auditors

Price Waterhouse & Co. have served as auditors of the Company since January 31st, 1964 and will be nominated for reappointment to the office of auditors of the Company for a term expiring at the close of the next annual meeting of shareholders to be held in 1977 at a remuneration to be fixed by the Board of Directors.

The contents and the sending of this information circular have been approved by the directors of the Company.

G. S. MacLean, Secretary.

Dated at Montreal, Quebec, as of February 29th, 1976.

Rémunération des membres du conseil d'administration et de la haute direction (suite)

En avril 1975, une autre compagnie affiliée, PanCanadian Petroleum Limited, a établi un programme de gestion par intérim qui a été approuvé par le conseil d'administration de cette compagnie en août 1975. Aux termes de ce programme, certains cadres supérieurs et membres du conseil d'administration alors employés à temps plein de PanCanadian Petroleum Limited pourraient avoir droit à une rémunération supplémentaire dans le cas de croissance importante des bénéfices moyens par action durant les quatre exercices fiscaux de 1975 à 1978 et également dans le cas où le cours du marché des actions ordinaires de PanCanadian Petroleum Limited au 1^{er} avril 1979 serait supérieur au cours du 1^{er} avril 1975. Il est prévu dans le programme que les participants doivent demeurer au service de PanCanadian Petroleum Limited pendant la période susmentionnée. Ainsi, il ne sera pas possible de déterminer avant avril 1979 s'il faudra verser une rémunération supplémentaire en vertu de ce programme, ni le montant de ce versement éventuel.

Participation de membres de l'administration et d'autres personnes aux activités du groupe pendant la période du 1^{er} janvier 1975 au 29 février 1976

M. Ian D. Sinclair, membre du conseil d'administration et président du conseil et chef de la direction de la Compagnie, et M. W. Moodie, membre du conseil d'administration et président de la Canadian Pacific Securities Limited, dans la limite d'un plafond établi par le conseil d'administration. Au 29 février 1976, cette garantie totale s'élevait à environ \$390 490 000 intérêts courus compris. Pendant cette période, ICP a émis \$3.9 millions de débentures à 7 1/4 % d'intérêt conditionnel et \$2.8 millions de débentures à 6 % d'intérêt conditionnel pour Canadian Pacific Limited.

A la suite d'une offre postée aux actionnaires de Steep Rock Iron Mines Limited le 19 janvier 1976, la Compagnie a fait l'acquisition de 5 454 275 actions ordinaires de Steep Rock Iron Mines Limited au prix de \$3 l'action.

Investissements Canadien Pacifique Limited (ICP)

Pour la période considérée, les prêts consentis par CPSL à ICP et à ses compagnies associées ou affiliées, déduction faite des remboursements de prêts antérieurs, se répartissent comme suit:

La Société Immobilière Marathon, Limitée	\$ 4 555 000
Location CanPac Limitée	20 789 000
Pacific Logging Company Limited	8 033 000
Rothsay Concentrates Co. Limited	915 000
The Great Lakes Paper Company, Limited	14 019 000

Canadian Pacific Securities Limited (CPSL)

Location CanPac Limitée (Location CanPac)

Location CanPac a passé un bail, aux prix courants, avec Canadian Pacific Limitée. Au 29 février 1976, le montant à recevoir au titre de ce bail, y compris les termes non échus, s'élève à \$3 500 000.

Price Waterhouse & C^{ie} sont les vérificateurs de la Compagnie depuis le 31 janvier 1964 et la assemblée générale annuelle des actionnaires de 1977, à une rémunération à fixer par le conseil d'administration.

Le contenu et l'envoi de la présente circulaire d'information ont été approuvés par le conseil d'administration de la Compagnie.

Désignation des vérificateurs

Le secrétaire, G. S. MacLean
Montréal, (Québec), le 29 février 1976

Rémunération des membres du conseil d'administration et de la haute direction de la compagnie et de ses compagnies affiliées

Sous-alinéa 33(r) (v) des règlements sous la loi sur les corporations canadiennes

Nature de la rémunération

Honoraires	Salaires	Gratifications	Allocations sans pièces justificatives	Autres	Total
\$	\$	\$	\$	\$	\$
d'administration du conseil des membres					

Rémunération des membres du conseil d'administration

(A) Nombre de membres: quatorze, dont trois font partie de la haute direction

(B) Payeurs: Canadian Pacific (Bermuda) Limited

3 500.00	13 350.00	26 300.00	165 000.00		191 300.00
Investissements Canadien Pacifique Limitée					
53 924.40					
La Société Immobilière					
Marathon, Limitée					
PanCanadian Petroleum Limited	5 500.00	99 000.00	70 000.00		104 500.00
Pine Point Mines Limited	2 500.00				2 500.00
Soo Line Railroad Company	2 250.00				2 250.00
The Algoma Steel Corporation, Limited	550.00	119 792.00	*11 900.00		132 242.00
West Kootenay Power and Light Company, Limited	500.00	7 500.00			8 000.00

Rémunération des membres de la haute direction

(A) Nombre de membres: six, dont trois font aussi partie du conseil d'administration

(B) Payeurs: Canadian Pacific Limitée

469 020.00	15 700.00	469 020.00			
Investissements Canadien Pacifique Limitée					
180 000.00					
Midland Simcoe Elevator Company, Limited	450.00	2 600.00			450.00
PanCanadian Petroleum Limited	5 000.00				7 600.00
Soo Line Railroad Company	2 000.00				2 000.00
The Algoma Steel Corporation, Limited	15 700.00				15 700.00
The Great Lakes Paper Company, Limited	8 000.00	4 600.00			12 600.00
Totaux	\$155 224.40	\$1 132 512.00	\$	\$11 900.00	\$1 299 636.40

* Paiement d'équivalents de dividendes aux termes du régime de rémunération supplémentaire de la corporation.

En 1975, le coût estimatif global pour la Compagnie et ses filiales de toutes les pensions qu'elles se proposent de payer en vertu d'un régime de pension aux personnes mentionnées sur le tableau précédent advenant leur retraite à l'âge normal, s'est élevé à \$43 655.

La Compagnie n'a pas de programme d'option d'achat d'actions mais une de ses compagnies affiliées, Cominco Ltée, offre des options d'achat de ses actions ordinaires à certains de ses employés à temps plein. En 1975, Cominco a ainsi octroyé des options d'achat, en date du 1^{er} mai 1975, expirant le 30 avril 1980, pour 24 900 actions à un prix d'achat de \$27.45. En 1975 également, des options ont été exercées pour l'achat de 11 100 actions au prix de \$25.42. Les variations du cours des actions ordinaires de Cominco pour chaque trimestre de 1975 ont été les suivantes:

1^{er} trimestre: \$24.75 à \$29.25
2^e trimestre: \$28.00 à \$32.25
3^e trimestre: \$30.50 à \$35.25
4^e trimestre: \$31.875 à \$35.875

Noms des candidats et postes occupés dans la Compagnie	Date d'expiration du mandat	Principaux postes occupés dans d'importantes compagnies affiliées	Occupation principale	Membre du conseil depuis	Nombre d'actions de la Compagnie ou de Canadien Pacifique Limitée détenues à titre bénéficiaire
* W. A. Arbuckle	29 avril 1976	Membre du conseil d'administration — Canadien Pacifique Limitée	Président du conseil de la compagnie, Celanese Canada Limitée, Montréal, (fabrication de fibres synthétiques, de tissus et tapis et de produits chimiques)	1964	10 000 actions ordinaires d'investissements C.P. Limitée 5 500 actions ordinaires de C.P. Limitée 400 actions ordinaires d'investissements C.P. Limitée
* F. S. Burbridge	29 avril 1976	Membre du conseil d'administration — Canadien Pacifique (Bermuda) Limited, Canadien Pacifique Limitée, Canadien Pacifique Transport Company, Limited, Cominco Limitée, La Société Immobilière Marathon, Limitée et Soo Line Railroad Company	Président du conseil et membre du conseil d'administration — West Kootenay Power and Light Company, Limited; membre du conseil d'administration — Cominco Ltée et Pine Point Mines Limited	1973	400 actions ordinaires d'investissements C.P. Limitée
* A. M. Campbell	29 avril 1976	Aucun	Président du conseil, Sun Life du Canada, compagnie d'assurance- vie, Montréal	1962	7 700 actions ordinaires d'investissements C.P. Limitée 2 500 actions ordinaires de C.P. Limitée 200 actions ordinaires d'investissements C.P. Limitée
Robert W. Campbell	29 avril 1976	Membre du conseil d'administration — Canpac Minerals Limited, Fording Coal Limited et PanCanadian Petroleum Limited	Président du conseil et chef de la direction, PanCanadian Petroleum Limited, Calgary, (pétrole et gaz, exploration, production, traitement, transport et commercialisation)	1973	200 actions ordinaires d'investissements C.P. Limitée
John Macnamara	29 avril 1976	Membre du conseil d'administration — The Algoma Steel Corporation, Limited	Président et chef de l'exploitation, The Algoma Steel Corporation, Limited, Sault-Sainte-Marie, (production de fer et d'acier)	1975	200 actions ordinaires d'investissements C.P. Limitée 250 actions ordinaires de C.P. Limitée 500 actions ordinaires d'investissements C.P. Limitée
Angus A. MacNaughton	29 avril 1976	Aucun	Président, Genstar Limitée, Montreal, (diverses exploitations industrielles)	1975	500 actions ordinaires d'investissements C.P. Limitée
* W. Moodie,	29 avril 1976	Vice-président et membre du conseil d'administration — Canadian Pacific Securities Limited; membre du conseil d'administration — Canadian Pacific Hotels Limited, Cominco Ltée, La Société Immobilière Marathon, Limitée et PanCanadian Petroleum Limited	Président, Investissements Canadien Pacifique Limitée, Montréal	1974	500 actions ordinaires d'investissements C.P. Limitée
* S. E. Nixon	29 avril 1976	Membre du conseil d'administration — Canadian Pacific (Bermuda) Limited et Cominco Ltée	Administrateur de sociétés et conseiller financier, Montréal	1962	2 000 actions ordinaires d'investissements C.P. Limitée
* Paul L. Paré	29 avril 1976	Membre du conseil d'administration — Canadien Pacifique Limitée	Président et chef de la direction, Imasco Limitée, Montréal, (compagnie mère d'intérêts dans les domaines du tabac, de l'alimentation et du commerce de détail)	1974	5 000 actions ordinaires de C.P. Limitée 4 000 actions ordinaires d'investissements C.P. Limitée
* H. M. Pickard	29 avril 1976	Membre du conseil d'administration — Cominco Ltée, La Société Immobilière Marathon, Limitée et PanCanadian Petroleum Limited	Président du conseil et chef de la direction, La Société Immobilière Marathon, Limitée, Calgary, (investissement et développement immobilier)	1970	4 000 actions ordinaires d'investissements C.P. Limitée
* Ian D. Sinclair,	29 avril 1976	Président du conseil et membre du conseil d'administration — Canadian Pacific Securities Limited et Lignes aériennes Canadien Pacifique, Limitée; vice- président et membre du conseil d'administration — Cominco Ltée et PanCanadian Petroleum Limited; membre du conseil d'administration — Canadien Pacific (Bermuda) Limited, Canadien Pacifique Limitée, Canadien Steamships, Limited, La Société Immobilière Marathon, Limitée, Pacific Logging Company Limited, Soo Line Railroad Company et The Great Lakes Paper Company, Limited	Président du conseil et chef de la direction, ATCO Industries Limited, Calgary, (industries manufacturières)	1974	1 000 actions ordinaires d'investissements C.P. Limitée
R. D. Southern	29 avril 1976	Aucun		1974	200 actions ordinaires d'investissements C.P. Limitée 1 750 actions ordinaires de C.P. Limitée
W. J. Stenason, Vice-président exécutif	29 avril 1976	Président du conseil et membre du conseil d'administration — Location CanPac Limitée; président et membre du conseil d'administration — Les Propriétés Commandant Limitée; vice-président et membre du conseil d'administration — Pacific Logging Company Limited et The Great Lakes Paper Company, Limited; membre du conseil d'administration — Agroproduits CanPac, Limitée, Canadien Pacific Hotels Limited, Canadian Pacific Securities Limited, Cominco Ltée, PanCanadian Petroleum Limited et The Algoma Steel Corporation, Limited	Vice-président exécutif, Investissements Canadien Pacifique Limitée, Montréal	1974	200 actions ordinaires d'investissements C.P. Limitée
* Membre du comité de vérification					

Investissements Canadien Pacifique Limitée

Avis d'assemblée générale annuelle

des actionnaires

Circulaire d'information

Procurations

Désignation des mandataires et révocation des procurations

Droit de vote

Latitide laissée aux mandataires

Actions comportant droit de vote

Election des membres du conseil d'administration

L'assemblée générale annuelle des actionnaires d'Investissements Canadien Pacifique Limitée se tiendra le jeudi 29 avril 1976 au Château Champlain, Place du Canada, Montréal (Québec), à onze heures du matin (heure avancée, si elle est en vigueur), pour traiter les questions suivantes:

a. Examen du rapport du conseil d'administration, ainsi que des états financiers consolidés accompagnés du rapport des vérificateurs pour l'exercice clos le 31 décembre 1975;

b. Election des membres du conseil d'administration;

c. Nomination des vérificateurs et habilitation du conseil d'administration à fixer leur rémunération; d. Débat sur toute question dont l'assemblée peut normalement être saisie.

Le conseil d'administration a, par résolution, fixé à vingt-quatre heures, sans compter les samedis et jours fériés, précédant l'assemblée générale annuelle des actionnaires ou toutes assemblées qui en tiennent lieu en cas d'ajournement, le délai de dépôt à Montréal, province de Québec, à la Compagnie ou à la Montreal Trust Company, agent de la Compagnie, des procurations à utiliser à l'assemblée générale annuelle des actionnaires ou à toutes assemblées qui en tiennent lieu en cas d'ajournement.

Par ordre du conseil d'administration
Le secrétaire, G. S. MacLean
Montréal, le 4 mars 1976

N.B. Si'il vous est impossible d'assister à l'assemblée, veuillez remplir et retourner la formule de procuration ci-jointe.

APR 6 1976

La présente circulaire accompagne la demande de procuration de la direction d'Investissements Canadien Pacifique Limitée pour l'Assemblée générale annuelle des actionnaires qui se tiendra le jeudi 29 avril 1976 au Château Champlain, Montréal, Québec, et pour toutes assemblées qui en tiendront lieu en cas d'ajournement. Les frais de cette demande sont à la charge de la Compagnie.

A toutes les assemblées générales des actionnaires de la Compagnie, chacun d'eux dispose d'une voix par action et peut voter en personne ou par procuration, que le mandataire de cette procuration soit ou non actionnaire de la Compagnie.

La procuration est toujours révocable en vertu du paragraphe 108.2(5) de la Loi sur les corporations canadiennes par acte écrit de l'actionnaire ou de son fondé de pouvoir. Si les actions appartiennent à une corporation, l'acte de révocation doit être revêtu de son sceau corporatif ou de la signature d'un cadre de la haute direction ou d'un fondé de pouvoir de la corporation dûment autorisé. L'acte de révocation doit être déposé au siège social de la Compagnie au plus tard le dernier jour ouvrable avant l'assemblée, ou l'assemblée qui en tient lieu en cas d'ajournement, au cours de laquelle doit être utilisée la procuration, ou remis au président de ladite assemblée le jour de l'assemblée ou de l'assemblée qui en tient lieu en cas d'ajournement.

Les mandataires désignés en bonne et due forme dans la formule de procuration ci-jointe seront admis à voter, à proportion des actions représentées, ou à s'abstenir de voter si la procuration le spécifie, à toute consultation par scrutin pour laquelle le mandat, en établissant la procuration, aura précisé son choix sur la question soumise au scrutin. Leur vote sera conforme aux instructions ainsi données.

EXERCÉS DANS LE SENS DE LA MENTION "AUTORISER" L'ELECTION DES MEMBRES DU CONSEIL D'ADMINISTRATION, LA NOMINATION DES VÉRIFICATEURS ET L'HABILITATION DU CONSEIL D'ADMINISTRATION À FIXER LES RUBRIQUES "ELECTION DES MEMBRES DU CONSEIL D'ADMINISTRATION" ET "NOMINATION DES VÉRIFICATEURS" DANS LA PRÉSENTE CIRCULAIRE.

La procuration donne aux mandataires pouvoir de se prononcer sur les modifications ou amendements apportés aux questions à l'ordre du jour, ainsi que sur les autres questions dont l'assemblée générale peut normalement être saisie. A la date de la présente circulaire d'information, la direction de la Compagnie n'a connaissance d'aucun amendement ou modification dont l'assemblée pourrait être saisie, ni de question qui ne soit prévue à l'ordre du jour.

Au 29 février 1976, il y avait 58 834 220 actions ordinaires sans valeur nominale ou au pair, donnant droit à une voix chacune à l'assemblée et 981 628 actions privilégiées rembourrables et convertibles, à 4¾% cumulatif, série A, donnant droit à une voix chacune. La Compagnie n'a pas fixé de date limite d'inscription, et, aux termes de la Loi sur les corporations canadiennes, paragraphe 105(5), s'il arrive qu'un actionnaire de la Compagnie n'ait pas reçu d'avis indiquant la date, l'heure et le lieu de l'assemblée générale des actionnaires de la Compagnie, il conserve son droit de vote à l'assemblée à condition de s'être inscrit aux registres de la Compagnie au moins quarante-huit heures, sans compter les samedis et jours fériés, avant l'heure d'ouverture de l'assemblée.

Au 29 février 1976, Canadien Pacifique Limitée possédait 50 000 000 d'actions ordinaires, représentant 83,58% des droits de vote de la Compagnie.

D'après les règlements de la Compagnie, le conseil d'administration doit compter quatorze membres. Une fois élus, les membres du conseil d'administration demeurent en fonction jusqu'à la prochaine assemblée générale annuelle des actionnaires et jusqu'à ce que leur successeur soit régulièrement élu. Les personnes dont les noms figurent à la page suivante voient leurs mandats s'achever à l'assemblée générale annuelle du 29 avril 1976 et, comme elles sont rééligibles, leur réélection sera proposée. La direction estime que les candidats sont dignes d'occuper les fonctions de membre du conseil d'administration mais s'ils en devenaient incapables avant l'assemblée générale, pour quelque raison que ce soit, les titulaires de la procuration ci-jointe auront le droit de voter pour d'autres candidats de leur choix. Voici les renseignements en notre possession au 29 février 1976 sur les quatorze candidats: